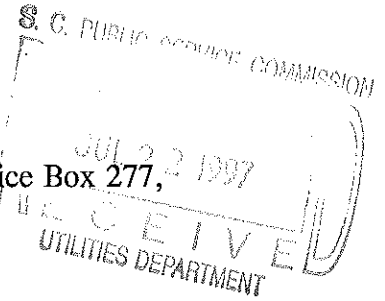
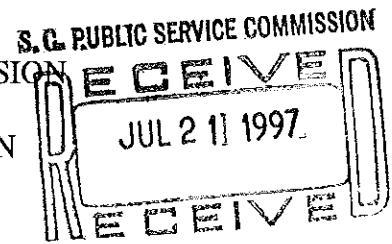


**POSTED**  
7/2/97

BEFORE THE  
SOUTH CAROLINA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF CHARLES DALTON

DOCKET NO: 97-153-E



1 Q. PLEASE STATE YOUR NAME AND ADDRESS.

2 A. My name is Charles Dalton. My business address is Post Office Box 277,  
3 Pickens, South Carolina 29671.

4 Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?

5 A. I am employed by Blue Ridge Electric Cooperative as the President and Chief  
6 Executive Officer.

7 Q. PLEASE BRIEFLY OUTLINE YOUR EDUCATION AND EXPERIENCE IN  
8 THE ELECTRIC INDUSTRY.

9 A. I received a Bachelor of Science degree in Industrial Management from Clemson  
10 University in 1964.

11 I have served as the President and Chief Executive Officer since 1982. Prior  
12 to working with Blue Ridge, I worked for Burlington Industries and served as a  
13 partner with Dalton's Furniture Store.

14 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

15 A. The purpose of my testimony is to express my strong objection to the efforts of  
16 Duke Power to serve a customer in territory assigned to Blue Ridge. As the  
17 Commission is aware, Duke Power Company ("Duke") has recently initiated  
18 efforts to construct electric service facilities, lines and other equipment in an effort

RETURN DATE: \_\_\_\_\_  
SERVICE: o k a

19 to provide electric service to a new industrial premise. The Nason industrial  
20 premise which requires initial electric service after July 1, 1969, is located  
21 immediately adjacent to South Carolina Highway 11, near the town of Walhalla  
22 in Oconee County.

23 **Q. HAS DUKE POWER COMPANY OR THE NASON COMPANY**  
24 **REQUESTED THE CONSENT OF BLUE RIDGE TO ENTER INTO A**  
25 **CONTRACT FOR DUKE TO SUPPLY ELECTRIC SERVICE TO THE**  
26 **NASON PLANT?**

27 **A.** No. Neither Duke Power nor Nason made any effort to advise Blue Ridge of  
28 their intention to enter into a contractual agreement for electric service. My staff  
29 has repeatedly advised both Duke Power and Nason officials of our objection to  
30 their unlawful activity.

31 **Q. DOES BLUE RIDGE HAVE THE CAPABILITY TO MEET THE**  
32 **ELECTRIC SERVICE NEEDS OF THE NASON PLANT?**

33 **A.** Yes. Blue Ridge has worked very hard over the years to develop and maintain  
34 a reliable electric distribution system designed to meet the needs of our customers  
35 in our service territory. Blue Ridge has already constructed a distribution line  
36 which runs immediately adjacent to the Nason Plant. Duke Power is apparently  
37 prepared to construct duplicate distribution lines in its efforts to serve the Nason  
38 Plant by extending another distribution line approximately 1.5 miles to the Nason  
39 Plant. Despite Duke's apparent claim that the 44kv line is a distribution line, it  
40 is not attempting to serve the Nason Plant from the 44kv line.

41 Q. WHAT IS YOUR RECOMMENDATION TO THE COMMISSION?

42 A. Blue Ridge strongly requests that the Commission issue an order directing Duke  
43 Power Company to cease and desist from attempting to provide electric service  
44 to an industrial premise located in a service territory assigned to Blue Ridge. As  
45 the prefiled testimony of Alan Blackmon and Barney Drake demonstrate, Duke  
46 Power cannot lawfully claim corridor rights for the transmission tie line Duke  
47 constructed in 1972. The Commission must look to the primary purpose of the  
48 line at the time it was constructed in order to properly carry out the mandate of  
49 the Territorial Assignment Act of 1969. Any other interpretation of the Territorial  
50 Assignment Act will create the potential for activities like Duke Power Company  
51 to serve customers in territories assigned to other electric suppliers across the  
52 state. The Territorial Assignment Act will essentially become meaningless if the  
53 Commission were to adopt the positions advocated by Duke.

54 Q. WHAT IMPACT WILL DUKE POWER'S EFFORTS TO SERVE THE  
55 NASON PLANT HAVE ON BLUE RIDGE?

56 A. Duke Power's efforts to serve an industrial premiss located within the Blue Ridge  
57 assigned service territory is detrimental to Blue Ridge and its members, and  
58 contributes to unnecessary and costly duplication of electric services facilities in  
59 Oconee County and to the entire Blue Ridge system. Blue Ridge has already  
60 demonstrated both its ability and willingness to provide electric service to the  
61 Nason Plant. Blue Ridge will continue to work closely with Nason officials in  
62 order to provide them with reliable and reasonable electric service.

63 Q. DOES THAT CONCLUDE YOUR TESTIMONY?

64 A. Yes.